

3/23/90

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UNITED STATES ENVIRONMENTAL PROTECTION AGENCY  
REGION 5  
230 SOUTH DEARBORN ST.  
CHICAGO, ILLINOIS 60604

REPLY TO THE ATTENTION OF:

*Ker - you're welcome to attend  
this conference call. I'll  
let you know once I've got  
confirmation for these  
folks.*

March 23, 1990

Mr. Louis M. Rundio, Jr.  
Ms. Linda Bullen  
McDermott, Will & Emery  
111 W. Monroe Street  
Chicago, Ill. 60603

*Liz*

Mr. Robert M. Olian  
Sidley & Austin  
One First National Plaza  
Chicago, Ill. 60603

RE: United States v. The Selmer Co., et al.  
Case No. S89 - 00348

Dear Mr. Rundio, Ms. Bullen and Mr. Olian:

The Stipulation and Protective Order for release of U.S. EPA's cost documentation was filed with the court on March 2, 1990. As of March 20, however, the Judge had not yet signed the Order. Regardless of this fact, and in anticipation of the April 26th settlement conference with the Magistrate, I would like to schedule a settlement discussion for next week.

On or about December 5, 1989, we set forth the following terms which we would recommend to our client as the basis of a settlement:

1. Your clients would perform a study to determine the nature and extent of soil contamination;
2. Your clients would perform a study to determine the extent and levels of contamination in on-site ground water;
3. Your clients would conduct a survey of the residences in the area (including those on Outer Drive) to identify those residences that are not yet connected to public water;
4. Your clients would provide such connections to those residences identified by #3, above;

5. Based upon the findings from #1 and #2, above, your clients would submit several appropriate cleanup alternatives, and would implement a Response action selected by U.S. EPA;

6. Your clients would reimburse the United States for all past Response Costs (\$569,000.00);

7. The United States would agree to dismissal, without prejudice, of this case against your clients; and

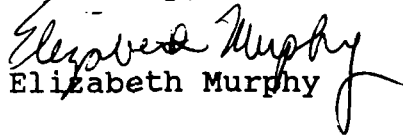
8. The United States would reserve the right to pursue any future claims it may have against your clients. Recognizing that you require the cost documentation prior to agreeing to the exact figure in #6, U.S. EPA is looking for conceptual agreement as to reimbursement.

I suggest that Thursday, March 29, at 9 a.m. be scheduled for this call. Please call me at 886 - 0748 to let me know whether your schedules are free at that time and, if not, what alternative time you suggest.

Provided we can reach conceptual agreement on the terms of settlement, we should be able to satisfy the Magistrate that his involvement is unnecessary. Additionally, once such agreement is reached, I will draft a proposed consent decree from which we can work out the exact terms of settlement.

Thank you for your attention to this matter.

Sincerely,

  
Elizabeth Murphy

cc: Frank Bentkover  
Chuck McKinley  
Ken Theisen